

## Message Text

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AMCONSUL CAPE TOWN

AMCONSUL JOHANNESBURG

AMCONSUL DURBAN

C O N F I D E N T I A L STATE 133964

CAPE TOWN ALSO FOR EMBASSY

FOLLOWING REPEAT VIENNA 4737 ACTION SECSTATE INFO PARIS  
AND USUN NEW YORK DATED MAY 23, 1978.

QUOTE: C O N F I D E N T I A L VIENNA 04737

PARIS FOR OECD

E.O. 11652: GDS

TAGS: EINV, OTRA

SUBJECT: UN COMMISSION ON TRANSNATIONAL CORPORATIONS: G-77  
RESOLUTION ON SOUTHERN AFRICA

REF: A) VIENNA 4635, B) VIENNA 4698

1. BEGIN SUMMARY. DEBATE ON INFORMATION SYSTEM INTER-  
RUPTED MORNING MAY 23 TO PERMIT JAMAICAN DEL TO INTRODUCE  
G-77 RESOLUTION E/C.10/L.23 ON "ACTIVITIES OF TRANS-  
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NATIONAL CORPORATIONS IN SOUTHERN AFRICA AND THEIR COLLA-  
BORATION WITH THE RACIST MINORITY REGIMES IN THAT AREA."  
TEXT, WHICH IS SIMILAR TO THAT SUBMITTED REFTEL (A), BUT  
WITH SOME CHANGES, IS SLIGHTLY HARDER-LINE THAN EARLIER  
VERSION AND IS CONTAINED IN PARA 5 BELOW. JAMAICAN DEL  
(NEIL) MADE FORCEFUL STATEMENT SUPPORTING TEXT. U.S. DEL  
CONTINUES TO PLAN NEGATIVE VOTE ON RESOLUTION. END  
SUMMARY.

2. NEIL STATEMENT NOTED THAT BASIC THRUST OF RESOLUTION,  
WHICH CALLS FOR ACTION BY HOME GOVERNMENTS AND TRANS-  
NATIONAL CORPORATIONS (TNCS) TO CEASE ALL COLLABORATION  
WITH RACIST MINORITY REGIMES, WAS CONSISTENT WITH OVER-

WHELMING VIEWPOINT OF SPEAKERS IN DEBATE (REF B) AND WITH WEIGHT OF EVIDENCE IN CENTER REPORTS (E/C.10/26 AND 39). NEIL STRESSED THAT RESOLUTION WAS NOT STATEMENT OF PRINCIPLE OR SOLICITATION OF "FEEBLE HALF-MEASURES", BUT ACTION-ORIENTED. HE REJECTED PROSPECT OF EROSION OF APARTHEID THROUGH PRESENCE OF TNCS, AND SAID THAT HE COULD NOT ACCEPT ARGUMENT THAT CONTINUED CONTACT WITH SAG COULD CONSTITUTE POSITIVE FACTOR IN INDUCING PEACEFUL CHANGE. NEIL REJECTED AS WELL CHARACTERIZATION OF SOUTHERN AFRICA ISSUES AS POLITICAL RATHER THAN ECONOMIC, AND POINTED TO ECONOMIC NATURE OF POLITICAL SANCTIONS TAKEN AGAINST SOUTHERN RHODESIA BY UN SECURITY COUNCIL. HE ALSO DESCRIBED ARGUMENT OF UNFAVORABLE IMPACT OF DISINVESTMENT ON BLACKS AS A QUESTIONABLE RATIONALIZATION FOR CONTINUING TNC COLLABORATION WITH RACIST REGIMES. DEVELOPED COUNTRY DELS, INCLUDING U.S. DID NOT RESPOND TO NEIL'S PRESENTATION, SINCE ARGUMENTATION FOR THEIR CASE ALREADY CLEARLY ON RECORD IN EARLIER DEBATE (REF B).

3. CHAIRMAN (BRUCE OF CANADA) HAS PROPOSED INFORMAL DEL CONTACTS OVER NEXT DAY TO EXPLORE POSSIBILITY OF CONSENSUS ON A NEGOTIATED TEXT; HE PLANS ANNOUNCE TOMORROW  
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AFTERNOON WHETHER MORE INFORMAL CONSULTATIVE MEETING FOR THIS PURPOSE SEEMS WORTHWHILE. DEBATE AND VOTE WILL PRESUMABLY NOT OCCUR BEFORE THURSDAY. CONSISTENT WITH DRAFTING OF ORIGINAL TEXT IN NEW YORK (REF A) AND LOW LEVEL OF AFRICAN REPRESENTATION HERE, G-77 DOES NOT INTEND ANY MATERIAL MODIFICATION OF TEXT. NEIL CONFIRMED TO US DEL (RUBIN) THAT THERE NO "NO CHANCE OF COMPROMISE". US DEL, AND A NUMBER OF OTHER OECD DELS (FRG, UK AND PERHAPS FRANCE) EXCEPT TO VOTE NO RPT NO ON RESOLUTION. CANADIANS ARE APPARENTLY UNSUCCESSFULLY ATTEMPTING TO ENCOURAGE CONSENSUS ON ABSTENTIONS.

4. US DEL VIEWS FINAL G-77 TEXT AS marginally TOUGHER THAN DRAFT REF A. WE BELIEVE NEGATIVE VOTE IS REQUIRED IN VIEW BOTH OF SUBSTANCE AND INAPPROPRIATENESS OF FORUM. IN ADDITION, WE BELIEVE IT IS DESIRABLE TO HAVE RECORD CLEARLY DEMONSTRATE LACK OF CONSENSUS ON RESOLUTION, PARTICULARLY IN VIEW OF EXTENSIVE FOLLOW-UP ACTIVITIES FOR CENTER CONTEMPLATED BY RESOLUTION. UNCONFIRMED RUMOR OF POSSIBLE PARAGRAPH-BY-PARAGRAPH VOTE ON RESOLUTION EXISTS; WE WILL TRY TO ALERT DEPARTMENT IF THIS PROCEDURE BECOMES LIKELY.

5. BEGIN TEXT:

TTE COMMISSION ON TRANSNATIONAL CORPORATIONS

RECALLING GENERAL ASSEMBLY RESOLUTION 3201 (S-VI) AND 3202 (S-VI) OF 1 MAY 1974 ON THE ESTABLISHMENT OF THE

NEW INTERNATIONAL ECONOMIC ORDER, 3281 (XXIX) OF 12  
DECEMBER 1974 ON THE CHARTER OF ECONOMIC RIGHTS AND DUTIES  
OF STATES, AND 3362 (S-VII) OF 16 SEPTEMBER 1975 ON  
DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION,

RECALLING ALSO RESOLUTION E/.10/L.17 ON THE  
"ACTIVITIES OF TRANSNATIONAL CORPORATIONS IN SOUTHERN  
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AFRICA AND THEIR COLLABORATION WITH THE RACIST MINORITY  
REGIMES IN THAT AREA" ADOPTED BY THE COMMISSION ON  
TRANSNATIONAL CORPORATIONS AT ITS THIRD SESSION,  
RECALLING FURTHER THE MAPUTO DECLARATION IN SUPPORT OF  
THE PEOPLES OF ZIMBABWE AND NAMIBIA AND PROGRAMME OF ACTION  
FOR THE LIBERATION OF ZIMBABWE AND NAMIBIA, AND THE LAGOS  
DECLARATION FOR ACTION AGAINST APARTHEID OF 26 AUGUST 1977,  
AS WELL AS GENERAL ASSEMBLY RESOLUTION A/RES/S-IX-2 OF  
THE NINTH SPECIAL SESSION,  
HAVING CONSIDERED THE REPORT OF THE CENTRE ON TRANS-  
NATIONAL CORPORATIONS ON THE ACTIVITIES OF TRANSNATIONAL  
CORPORATIONS IN SOUTHERN AFRICA: IMPACT ON FINANCIAL AND  
SOICAL STRUCTURES (E/C.10/39),

GRAVELY CONCERNED OVER THE CONTINUED COLLABORATION BY  
TRANSNATIONAL CORPORATIONS WITH THE RACIST MINORITY RE-  
GIMES IN SOUTHERN AFRICA IN CONTRAVENTION OF UNITED  
NATIONS RESOLUTIONS,  
CONSIDERING THAT THE CESSATION OF THE ACTIVITIES OF  
TRANSNATIONAL CORPORATIONS IN SOUTHERN AFRICA WOULD  
CONSTITUTE AN IMPORTANT STEP IN THE STRUGGLE AGAINST THE  
RACIST MINORITY REGIMES,  
CONSCIOUS OF THE CONTINUED NEED TO ENLIST THE ACTIVE  
SUPPORT OF THE HOME GOVERNMENTS OF TRANSNATIONAL CORPORA-  
TIONS AND TO MOBILIZE WORLD PUBLIC OPINION AGAINST THE  
INVOLVEMENT AND COLLABORATION OF THESE CORPORATIONS WITH  
THE RACIST MINORITY REGIMES, WHICH IMPEDE THE EXERCISE OF  
THE INALIENABLE RIGHT OF THE PEOPLES OF SOUTHERN AFRICA  
TO SELF-DETERMINATION AND THEIR EXERCISE OF PERMANENT  
SOVEREIGNTY OVER THEIR NATURL RESOURCES AND ECONOMIC  
ACTIVITIES,  
WELCOMING AS A POSITIVE STEP MEASURES TAKEN BY SOME  
HOME GOVERNMENTS TO CURTAIL THE ACTIVITIES OF THEIR  
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TRANSNATIONAL AND OTHER CORPORATIONS IN SOUTHERN AFRICA,

1. TAKES NOTE WITH APPRECIATION OF THE REPORT OF THE  
CENTRE ON TRANSNATIONAL CORPORATIONS ENTITLED "ACTIVITIES  
OF TRANSNATIONAL CORPORATIONS IN SOUTHERN AFRICA: IMPACT  
ON FINANCIAL AND SOCIAL STRUCTURES" (E/C.10/39),

2. REAFFIRMS THE INALIENABLE RIGHT OF THE INDIGENOUS PEOPLES OF SOUTHERN AFRICA TO PERMANENT SOVEREIGNTY OVER THEIR NATURAL RESOURCES AND ALL ECONOMIC ACTIVITIES,

3. RECOGNIZES THE URGENT NEED FOR FURTHER AND EFFECTIVE MEASURES INCLUDING SANCTIONS, IN ORDER TO TERMINATE THE CONTINUING COLLABORATION BY TRANSNATIONAL AND OTHER CORPORATIONS WITH THE RACIST MINORITY REGIMES IN SOUTHERN AFRICA,

4. STRONGLY CONDEMNS THE CONTINUED INVESTMENTS AND THE EXPLOITATION OF CHEAP BLACK LABOUR BY TRANSNATIONAL AND OTHER CORPORATIONS WHICH CONTINUE TO COLLABORATE WITH THE RACIST MINORITY REGIMES IN SOUTHERN AFRICA IN CONTRAVENTION OF UNITED NATIONS RESOLUTIONS THEREBY CONTRIBUTING TO THE PERPETUATION OF OPPRESSION AND OTHER INHUMAN PRACTICES PERPETRATED AGAINST THE MAJORITY INDIGENOUS POPULATION BY THE RACIST MINORITY REGIMES,

5. URGES ALL TRANSNATIONAL CORPORATIONS TO COMPLY STRICTLY WITH THE RELEVANT UNITED NATIONS RESOLUTIONS BY TERMINATING ALL FURTHER INVESTMENTS IN SOUTHERN AFRICA AND BY ENDING THEIR COLLABORATION WITH THE RACIST MINORITY REGIMES,

6. COMMENDS ALL ANTI-APARTHEID MOVEMENTS, CHURCHES, TRADE UNIONS, UNIVERSITIES AND OTHER ORGANIZATIONS WHICH HAVE TAKEN CONCRETE STEPS, INCLUDING SHAREHOLDER ACTIONS, TO DISCOURAGE AND OPPOSE COLLABORATION BY TRANSNATIONAL CORPORATIONS WITH THE RACIST MINORITY REGIMES IN SOUTHERN AFRICA,

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7. CALLS UPON ALL GOVERNMENTS WHICH HAVE NOT YET DONE SO TO TAKE LEGISLATIVE, ADMINISTRATIVE, JUDICIAL AND OTHER MEASURES IN RESPECT OF THEIR NATIONALS AND TRANSNATIONAL CORPORATIONS OF THEIR NATIONALITY WHO OWN OR OPERATE ENTERPRISES IN SOUTHERN AFRICA IN ORDER TO PUT AN END TO SUCH ACTIVITIES,

8. CALLS FURTHER UPON ALL STATES TO TERMINATE ALL FORMS OF COLLABORATION BY THEIR NATIONALS, TRANSNATIONAL AND OTHER CORPORATIONS OF THEIR NATIONALITY WITH THE RACIST MINORITY REGIMES IN SOUTHERN AFRICA, AND, IN PARTICULAR:

(I) TO REFRAIN FROM SUPPLYING PETROLEUM, PETROLEUM PRODUCTS OR OTHER STRATEGIC MATERIALS TO THE RACIST MINORITY REGIMES;

(II) TO REFRAIN FROM EXTENDING LOANS, INVESTMENTS AND TECHNICAL ASSISTANCE TO THE RACIST MINORITY REGIMES IN SOUTHERN AFRICA

AND TO CORPORATIONS REGISTERED IN THOSE  
TERRITORIES;

(III) TO PROHIBIT ECONOMIC AND FINANCIAL INTERESTS  
UNDER THEIR NATIONAL JURISDICTION FROM CO-  
OPERATING WITH THE RACIST MINORITY REGIMES  
AND ENTERPRISES REGISTERED IN SOUTHERN AFRICA;

(IV) TO REFRAIN FROM ALL ACTIVITIES WHICH MAY  
DIRECTLY OR INDIRECTLY CONTRIBUTE TO THE  
STRENGTHENING OF THE MILITARY CAPABILITY  
OF THE RACIST MINORITY REGIMES;

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(V) TO DENY TARIFF AND OTHER PREFERENCES TO EXPORTS  
FROM THE TERRITORIES OCCUPIED BY THE RACIST  
MINORITY REGIMES IN SOUTHERN AFRICA AS  
WELL AS ANY INDUCEMENTS OR GUARANTEES FOR  
INVESTMENT AND TRADE IN THE AREA;

(VI) TO PROHIBIT ALL PERSONS AND ENTERPRISES OF  
THEIR NATIONALITY FROM MAKING ANY ROYALTY OR  
TAX PAYMENTS TO, OR FROM KNOWINGLY TRANS-  
FERRING ANY ASSETS OR OTHER FINANCIAL RESOURCES  
IN CONTRAVENTION OF UNITED NATIONS RESO-  
LUTIONS TO FACILITATE TRADE WITH OR  
INVESTMENTS IN THE TERRITORIES OCCUPIED  
BY THE RACIST MINORITY REGIMES.

9. REQUESTS THE CENTRE ON TRANSNATIONAL CORPORATIONS

(A) TO CONTINUE ITS USEFUL RESEARCH ON THE ACTIVITIES OF  
TRANSNATIONAL CORPORATIONS IN SOUTHERN AFRICA AND THEIR  
COLLABORATION WITH THE RACIST MINORITY REGIMES IN THE  
AREA;

(B) TO SUBMIT A REPORT TO THE COMMISSION ON TRANSNATIONAL  
CORPORATIONS AT ITS FIFTH SESSION, ON THE IMPLEMENTATION  
OF THIS RESOLUTION, INCLUDING IN THIS REPORT AN IN-DEPTH  
STUDY OF THE EXTENT OF COLLABORATION OF THE TRANSNATIONAL  
CORPORATIONS IN THE INDUSTRIAL, MINING AND MILITARY  
SECTORS;

(C) TO ANNEX TO THE ABOVE REPORT A LIST OF TRANSNATIONAL  
CORPORATIONS WHICH RECOGNIZE AND NEGOTIATE WITH NON-WHITE  
AND MULTI-RACIAL TRADE UNIONS AS WELL AS THOSE WHICH DO  
NOT RECOGNIZE SUCH TRADE UNIONS;

(D) TO CONTINUE TO COLLECT AND PUBLICIZE INFORMATION ON  
THE ACTIVITIES OF TRANSNATIONAL CORPORATIONS WHICH COLLABOR-  
ATE DIRECTLY OR INDIRECTLY WITH THE RACIST MINORITY REGIMES  
IN SOUTHERN AFRICA IN CONTRAVENTION OF UNITED NATIONS  
RESOLUTIONS. END OF TEXT. WOLF UNQUOTE VANCE

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<< END OF DOCUMENT >>

## Message Attributes

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